

COUNCILMEMBER DONNA FRYE

CITY OF SAN DIEGO – SIXTH COUNCIL DISTRICT

Press Release

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Culture of Secrecy Costs Taxpayers and Harms City's Credit Rating FRYE IDENTIFIES SOLUTIONS

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Today, Mayoral write-in candidate Donna Frye provided solutions to address the delay in the issuance of the City's 2003 Annual Financial Report.

"All of these issues are a direct result of the culture of secrecy that exists today," said Frye. "As Mayor, I will change immediately the culture of secrecy by demanding full and complete disclosure, ending the secret meetings and fully cooperating with all requests for documentation. The public has a right to know how the public's business is being conducted."

Frye was the only elected official and mayoral candidate who took action to address the culture of secrecy and the City's pension problems before they became national headlines. In November 2002, Frye voted to oppose the continued practice of increasing benefits that added to the underfunding of the pension. Frye also sent a letter to the City Attorney questioning the legality of closed session meetings in relation to the City's sewer cost of service study. Because of Frye's action, the cost of service study was made public saving the City a potential loss of over \$200 million.

In April 2003, Frye demanded and received an audit of the City's retirement system by an outside auditor. In March 2004, Frye pushed through and implemented major changes to the City's closed session practices. One of those changes, Proposition D, if approved by the voters, will amend the City Charter and require full public access to government documents. Frye also has refused to participate in closed door meetings related to the Vinson & Elkins report and the SEC investigation believing that it was not in the public's best interest to do so.

"I refused to be a part of the closed door meetings," Frye stated. "Full disclosure of the information requested by the SEC and KPMG should have happened in public. Now, we will spend even more money to ensure that the City's financial reports are issued."

Frye called for an immediate release of all information so that KPMG can issue the city's financial report, full cooperation with the agencies conducting the investigation, and assembling a new team who will disclose all the information needed to find out the truth.

"Once again, the culture of secrecy and business as usual is costing the taxpayers more money and harming our City's credit rating. It is one of the reasons that I decided to run for Mayor; we must take action and stop playing politics with our future. I have solutions and a proven record of accomplishment. My actions match my words."